



RESPONSIBLE LEADERSHIP SUMMIT

SHAPING OUR FUTURE

TNT CEO Peter Bakker demonstrates change for good

February 2, 2009

“‘Change for Good’ means both change for the better and change for ever,” said Robert Hooijberg, IMD Professor of Organizational Behaviour, in opening the session by that title at the Responsible Leadership Summit at IMD.

The real-world example of “better for ever” was brought by guest speaker Peter Bakker, CEO of TNT Post, who shared the story of TNT’s journey of corporate social responsibility which began shortly after he took on the role of CEO in 2001 and distinguished his leadership style.

For Mr Bakker, corporate social responsibility comes down to how one thinks about the planet. “Whatever you do in your business, leave this thing better for your children,” he said, gesturing towards a large image of the earth.

Mr Bakker divides the issues concerning the world into four sectors: economy, energy, food and climate. He said that while the impact of the economic crisis is great — “like nothing we’ve ever seen before” — it is nothing compared to the energy crisis, the related climate crisis and the food crisis.

On climate, he related the estimate that by 2050, we must reduce carbon dioxide emissions by 80% from 1990 levels. On food he said, “Twelve months ago, 850 million people went to bed without food...by the end of 2009, that number will be over a billion.”

A key action by TNT is a partnership with the United Nations’ World Food Program (WFP), a partnership to which TNT brings practical programs that draw upon the strengths of the company. Some examples include:

- Using their fleet management expertise to improve utilisation of trucks in developing regions;
- Mapping out roads in Darfur, which, combined with infrastructure investment, has led to a saving of \$300,000 each week because food aid no longer needs to be flown in;



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- Getting onsite with volunteers and equipment for disaster relief;
- Sending employees to developing countries to aid and gain first-hand knowledge of the food crisis issue — then bring that knowledge back to share with their colleagues;
- Education programs in schools in the Netherlands;
- Hosting a tent on behalf of the WFP at the World Economic Forum — this year's tent at the Forum in Davos, Switzerland featured a talk by Kofi Annan.

The partnership with the WFP is not the only way in which TNT practices corporate responsibility. The company is also, for example, actively pursuing ways to radically reduce its carbon dioxide emissions in every element of its operations.

Mr Bakker says the company must engage in the issue of climate change, ultimately as a matter of survival: "I could decide not to worry and continue to emit carbon dioxide," he said. "But we would be in trouble. We want to lead rather than be followers and wait for regulations to force us to do these things."

Mr Bakker acknowledged that if looked at in terms of a business model, some of the initiatives may not appear to make sense.

However, he said there is a growing community of investors who are interested in sustainable investment. But ultimately, the argument is more emotional.

"You cannot go this route of corporate social responsibility if you are not prepared to go all the way," he said. "You cannot say you want to help starving children then not look at how you treat employees or what kind of emissions impact you have."